

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF WESTCOM, LLC DBA DIGITAL EASY)	CASE NO. GNR-T-03-11
CHAIR CONCERNING INVESTMENT FOR)	
INSTALLING QUALIFIED BROADBAND)	
EQUIPMENT TAX CREDIT)	ORDER NO. 29224
)	

On March 17, 2003, WestCom, LLC dba Digital Easy Chair filed an Application to receive an investment tax credit for installation of broadband equipment under *Idaho Code* § 63-3029I. Pursuant to that section, an Idaho taxpayer may receive a tax credit for installing eligible equipment, which must be part of network facilities that are capable of transmitting signals at a rate of at least 200,000 bits per second (bps) to a subscriber and at least 125,000 bps from a subscriber. In the case of a telecommunications carrier, the qualified broadband equipment also must “be necessary to the provision of broadband service and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i). A taxpayer may receive the credit only after obtaining from the Commission an Order confirming that the installed equipment qualifies under the statute. To facilitate its review under *Idaho Code* § 63-3029I, the Commission issued Procedural Order No. 28784 in July 2001, identifying the information that applicants must provide to the Commission to determine whether the installed equipment qualifies for the tax credit.

Digital Easy Chair’s Application states that during calendar year 2002 it installed an Internet switch, routers, servers, optical splitters, and optical premises equipment for homes, power supply, and fiber optic cable to homes in the Bear Creek Subdivision in Meridian, Idaho and on Boeing Street in Boise, Idaho. Digital Easy Chair also included in its Application costs incurred in installing the equipment. Digital Easy Chair states that it began offering high-speed Internet access, e-mail, and community portal services to customers during 2002 at transmission rates of 256 kilobits per second (kbps) up to 1.5 mega bits per second (Mbps).

Staff reviewed the Application filed by Digital Easy Chair to confirm that the equipment is “necessary to the provision of broadband services and an integral part of a broadband network.” Staff stated the equipment installed by the Company qualifies for the tax

credit. Staff thus recommended the Commission approve the Application filed by Digital Easy Chair for a tax credit.


Having reviewed the Application filed by Digital Easy Chair and Staff's recommendation, the Commission finds that the Company's Application for a qualifying broadband equipment Order should be granted. The Company has adequately demonstrated that it installed the equipment identified in its Application during 2002 to conform with the requirements set forth in *Idaho Code* § 63-3029I. The Commission further finds that as configured the installed equipment is an integral part of a broadband network necessary to deliver broadband services to Idaho customers. It is therefore appropriate for the Commission to issue this Order confirming that Digital Easy Chair has installed qualified broadband equipment as a precondition to seeking an investment tax credit.

ORDER

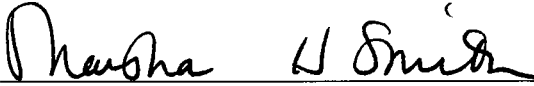
IT IS HEREBY ORDERED that WestCom, LLC dba Digital Easy Chair's Application for an Order certifying that it has installed qualified broadband equipment is granted. The Commission will forward this Order along with the Application filed by Digital Easy Chair to the Idaho Tax Commission.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 16th
day of April 2003.



PAUL KJELLANDER, PRESIDENT

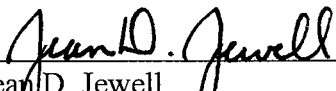


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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